

Traffic Safety Facts

Laws

January 2006

Alcohol Exclusion Laws

Background

The National Highway Traffic Safety Administration (NHTSA) encourages States to examine insurance laws for the existence of alcohol exclusions and support legislation that eliminates these barriers to both blood alcohol concentration (BAC) testing and treatment access for those with alcohol use or dependency problems.

The Alcohol Exclusion Law, embedded in the Uniform Accident and Sickness Policy Provision Law (UPPL) of many States, allows insurance companies to deny reimbursement to hospitals for treatment to those who are injured while impaired by alcohol or any drug not prescribed by a physician at the time of their injury. By denying insurance coverage for injuries suffered while under the influence, the Alcohol Exclusion Law was intended to discourage drinking and save insurance companies money. However, such laws may have an unintended

consequence of limiting the ability of physicians to recognize people with alcohol or drug problems and refer them to treatment. In addition, the laws may reduce the incentives for physicians to test BACs of injured people who may have been driving at the time of their injury.

Key Facts

- The National Association of Insurance Commissioners (NAIC), the organization of insurance regulators in the 50 States, adopted the Alcohol Exclusion Law as part of the UPPL "model law" in 1947. In 2001, in recognition of advances in alcohol treatment and with strong support from medical authorities, NAIC revised the UPPL model law to repeal the Alcohol Exclusion Law and to forbid health insurance companies from denying coverage to individuals under the influence of alcohol or narcotics.
- Since 2001, five States have repealed or amended the Alcohol Exclusion Law.
- NHTSA has joined with four other Federal agencies to examine the effects of these laws on emergency medical practices involving screening, brief intervention, and referral to treatment of alcohol and other substance abuse problems, as well as any impact the laws

may have on testing rates for impaired drivers.

Which States have an Alcohol Exclusion Law?

As of January 2006, 37 States and the District of Columbia have alcohol exclusion laws: Alabama, Alaska, Arizona, Arkansas, California, Delaware, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maine, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Jersey, New York, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Virginia, West Virginia, and Wyoming.

Since 2001, five states (Iowa, Maryland, North Carolina, Vermont, Washington) have repealed or amended the Alcohol Exclusion Law.

Eight States (Colorado, Connecticut, Massachusetts, Michigan, New Mexico, New Hampshire, Utah, Wisconsin) never adopted the Alcohol Exclusion Law. However, because these States do not explicitly prohibit insurance companies from excluding coverage for injuries suffered under the influence of alcohol and drugs, courts have ruled that insurance companies can use such exclusions.

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References

Alcohol Exclusion Law Resource Kit, <http://www.ensuringsolutions.org/alcoholexclusions/#3>, accessed on the Internet on September 21, 2005.

National Institute on Alcohol Abuse and Alcoholism, Alcohol Policy Information System, <http://alcoholpolicy.niaaa.nih.gov>, accessed on the Internet on September 21, 2005.



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Reports and additional information are available from your State Highway Safety Office; the NHTSA Regional Office serving your State; NHTSA Headquarters, Office of Impaired Driving and Occupant Protection, ATTN: NTS-111, 400 Seventh Street, SW., Washington, DC 20590; 202-366-2683; or NHTSA's Web site at www.nhtsa.gov.